

DRAFT MEETING MINUTES
Delta Protection Commission
May 23, 2002

1. Call to Order/Roll Call

The meeting was called to order at 6:30 p.m. by Chairman Pat McCarty. Commissioners present were: Bedford; Beltran; Brean; Cabaldon; Calone; Coglianese; Curry; Curtis; Ferguson; Macaulay; McGowan; Sanders; Shaffer; and van Loben Sels. Commissioners absent were: Glover; Nottoli; Thomson; and Wilson.

2. Public Comment

There were no public comments.

3. Minutes of the Last Meeting

On a motion by Commissioner Ferguson and a second by Commissioner Curry, the draft minutes were approved by voice vote. Commissioner Beltran and Commissioners absent from the last meeting abstained.

4. Chairman's Report

Chairman McCarty welcomed DPC's newest Commissioner, Augie Beltran. He sits on Lathrop's City Council, and was appointed to DPC by San Joaquin Council of Governments to replace Commissioner Bob Gleason.

Chairman McCarty noted that the next meeting of the Commission would be held Thursday, July 25.

He said that the attendance at Budget and Finance Committee meetings has been low over the past year. The purpose of this Committee is to monitor expenditures and provide input to staff on the fiscal operations of the Commission and preparation of annual work plans and budgets. Unless Commissioners indicate a commitment to participate on this Committee, he is suggesting that staff develop a new mechanism to meet that important goal.

5. Commissioner Comments/Announcements

Commissioner Curtis noted that the Wildlife Conservation Board (WCB) approved \$207,000 for the purchase of 100 acres adjacent to the Glide Ranch in the Yolo Bypass. He noted two conditions on this acquisition that were included because of previous input from the Commission: first, flood control will remain the primary purpose on all property owned and managed by Dept. of Fish and Game (DFG) in the Yolo Bypass; and second, the management strategy for these properties will be developed in concert with CALFED's Delta-specific Ecosystem Restoration Plan.

Commissioner Coglianesi said she attended the first meeting of the State Floodplain Management Task Force on April 18 and 19; the Task Force, mandated by State legislation as a result of the floods of 1997, will issue a report containing advice to the State on how to minimize impacts of flooding to people and property. She represents local government on this group, and welcomes input from Commissioners. The next meeting is scheduled for June 13. Also, the Bay-Delta Public Advisory Committee (BDPAC) is meeting on June 27 at The Point restaurant in Rio Vista; this meeting is open to the public. On the afternoon prior to the meeting, there will be tours of the Delta.

Steve Macaulay offered to make regular progress reports to the Commission on Dept. of Water Resources' (DWR) Delta activities. He offered to provide an update on DWR's South Delta Program at the next meeting.

6. Attorney General's Report

Mr. Siegel said that there was an important decision issued about a month ago by the U.S. Supreme Court. The case was Tahoe Sierra Preservation Council vs. Tahoe Regional Planning Agency, and the question that ultimately was addressed was whether a 32-month planning moratorium prohibiting development on certain lands at Lake Tahoe required the automatic payment of compensation under the 5th Amendment of the Constitution (the 5th Amendment has a "takings" clause, which states that private property cannot be taken for a public purpose without just compensation). In a 6-3 decision, the Supreme Court held that automatic compensation is not required; rather, where an agency imposes a planning moratorium, the moratorium needs to be looked at for its reasonableness. This involves analysis of the economic impacts of the moratorium on individual property owners and the purpose of the moratorium (whether it was imposed for a legitimate purpose or just to stop a project). One of the interesting things about the decision is that it repeatedly refers to the need for wise land use planning, which is what the Commission is engaged in.

7. Executive Director's Report

Ms Aramburu noted that the Commissioners received a new roster in their packets.

Commissioners received information on CALFED's In-Delta Storage Program; they also received a copy of Commissioner Curtis's response to the Commission's comments submitted to WCB last year regarding the acquisitions in the Yolo Bypass, in anticipation of the Yolo Bypass management planning briefing.

Regarding staff activities: Copies of the Delta Dredge Reuse Strategy draft report were available at the meeting; the Commission will be briefed on the final report at its July meeting.

Regarding Staten Island: A draft memorandum is under preparation; the Commission will be briefed at its July meeting.

Regarding the Highway 160 Guardrail project: CalTrans is actively negotiating with the four Reclamation Districts that are affected by this project.

Regarding SB 1854, Delta Conservancy legislation: Senator Machado has been working on revisions, and the legislation will be discussed at the July meeting.

Staff prepared a summary of the Water Security Clean Drinking Water Coastal and Beach Protection Act of 2002, a \$3.44 billion initiative that has been approved by the Secretary of State for inclusion on the November 2002 ballot. It includes \$75 million for Delta levees.

The California Water Plan (Bulletin 160) released a report on draft assumptions and estimates.

Staff received multiple notices from Commissioner Curtis, Dave Feliz, and the WCB regarding the proposed notice of a 100-acre acquisition in the Yolo Bypass. This is acquisition of a “remainder” parcel, surrounded by lands acquired last year, so it seems a minor infill acquisition.

Ms Aramburu described an acquisition proposed by East Bay Regional Park District (EBRPD) funded by Proposition 204, passed in 1996, which contained \$2 million for public access and recreation in the Delta. EBRPD has negotiated an acquisition, which their board considered and approved on May 21, 2002, of a 275-acre parcel of agricultural land on Orwood Tract, next to the Orwood Resort and east of Discovery Bay in Contra Costa County. EBRPD has committed to make a presentation to the Commission at its July meeting. EBRPD plans to keep the land in agriculture and pay appropriate county and special district taxes.

Commissioner Cabaldon said he understands that the grant money is supposed to be used for recreation, but it appears that it will be used instead as “land banking” for an unspecified recreation project with no specific plans or foreseeable funding for construction. He asked about EBRPD’s ability to shift the funding from the original project to this new one; Ms Aramburu said DPR had to review and approve this change.

Commissioner Brean said EBRPD has to go through a planning process before it can be specific about what it plans to do with the property, and asked if they have expressed any general ideas; Ms Aramburu indicated that they had not. Her communication was mainly about the review and process of transferring the funds from one site to the other, and whether EBRPD consideration could be postponed until DPC had a chance to review and comment on the acquisition, as it had asked of the WCB.

Chairman McCarty said that when Ms Aramburu brought this to his attention, he thought the Commission should raise the same flags it raised with the WCB acquisitions. Much like in that case, the Commission became involved too late in the process to have much impact. His concern is that it is an acquisition of agricultural land in the Primary Zone for an unspecified future use.

Commissioner Cabaldon added that there are so few dollars available for recreation, there needs to be some strategic thought about how to use those limited funds. Setting aside property for an unspecified use when there are so many other needs throughout the Delta does not seem like the best use of that money.

Commissioner Sanders suggested that Commissioners contribute to a contact list of entities that acquire land in the Delta, and that DPC staff make those contacts aware of DPC's concerns and interest in participating in acquisitions. Ms Aramburu suggested that Chairman McCarty issue direction to agendaize this for a future meeting; the Commission could consider a draft letter and a list of agencies to contact on behalf of the Commission. Chairman McCarty said this is a valid suggestion, but it would be advisory because the Commission doesn't have the authority to require notification.

8. Briefing on CALFED Activities and Projects

Commissioner McCarty welcomed Ron Ott, CALFED.

Mr. Ott said Dennis Major is no longer with CALFED. Cindy Darling will be taking over the public outreach coordination for the Delta; Mr. Ott is taking over the Delta implementation coordination – how the various projects are integrated. They will both be in attendance at future meetings if possible.

- Ecosystem Restoration: the comment period has closed on the proposals for the 2002 grant applications. There will probably not be another grant application process this fall.
- Conveyance: CALFED finished last fall's Delta Cross Channel studies; they were expanded in scope and area. They can brief the Commission on these studies in the future.
- Storage: In-Delta Storage is scheduled for later on the agenda; there was a public meeting scheduled for the next day at DWR.
- Levees: This program is suffering due to the shortfall in the State's General Fund; it is currently slated to receive about \$5 million. About half of that will be available for the Levee Subventions Program (State percent share cannot exceed 75% and usually is closer to around 50% of costs).

Budget cuts in general are of main importance to CALFED. They have looked very closely, especially in the implementation field, at how they can phase different projects to implement them most efficiently.

There were no questions from Commissioners or the public.

9. Briefing on Dept. of Fish and Game Management of Yolo Bypass Lands Acquired in 2001

Chairman McCarty introduced Dave Feliz, who would give a presentation on the status of the development of a management plan for the ~13,000 acres acquired by WCB in 2001.

Ms Aramburu noted that in addition to the staff report, she had circulated DPC's comments from last year and the response from Commissioner Curtis, so they were aware of what commitments were made by DFG regarding management of these properties.

Mr. Feliz said DFG recently began the planning process for these properties. They have been meeting approximately every other month with a working group that includes landowners in the Yolo Bypass and various stakeholder interests; these meetings were funded by CALFED through a grant to the Yolo Basin Foundation. The group recently received another \$85,000 to continue these meetings with the purpose of getting input for the management plan. They will be having focused meetings regarding specific topics such as flood protection, agriculture, recreation, and the habitat plan. The \$85,000 will pay for the focused meetings and preparation of a management plan by Jones and Stokes.

DFG has received funding to conduct vegetation surveys in the southwest part of the Tule Ranch; this upland area contains vernal pools, alkali soil areas, wildflowers, and some remnant sloughs.

Acquisition of the 100-acre Parker property was approved earlier that day at the WCB meeting. The property was completely surrounded by State interests; this property is actually owned by PG&E, and the State has held an easement on it since 1991.

DFG is maintaining the existing agricultural leases with tenants; DFG is working on an agreement with Dixon Resource Conservation District (RCD) to manage these leases. The lease payments for the agricultural activity would go to the RCD; after deducting a percentage for overhead, remaining funds could be used for improvements on the Wildlife Area.

Crops present on the properties include:

- 1,500 acres of white and wild rice on the Causeway Ranch (This is about 400 acres less than last year because much of the area was irrigated through the Mace Ranch irrigation system although it wasn't part of that agreement; this year, DFG is restricting irrigation through that system to lands that are part of that agreement. The lease payments are going toward irrigation system improvements so next year it may be possible to irrigate those lands.)
- Tomatoes are being grown at Los Rios Farms and along Putah Creek, with organic tomatoes in the slingshot of the Causeway Ranch;
- Small areas of safflower totaling about 240 acres; a lot of the Tule Ranch was planted in safflower last year grown by Ron Tadlock and Los Rios Farms.
- Corn at the Tule Ranch; and
- Small areas of alfalfa and hay.

Last year, about 2/3 of the property under the Los Rios grazing lease was fallow, with a bit of safflower and some irrigated tomatoes and corn; now that this area is in the grazing program, DFG has actually put about 2,000 acres of land into production on this property. The area has been aerially seeded with annual ryegrass.

The Schene grazing lease has been in place for about six years; there are many native plants and vernal pools that have resulted from grazing on the property. Grazing will continue to be used to manage this vegetation; DFG will work with Yolo Resource Conservation District to develop a grazing plan.

DFG has a restoration plan that is proceeding on a 150-acre “L”-shaped parcel that was enrolled in the Wetland Reserve Program (in 1999) when DFG purchased it last year. Mr. Feliz just submitted the plans to the Reclamation Board for approval. The property will include permanent wetlands and some seasonal wetlands with swales, islands, and submersed islands. Natural Resource Conservation Service (Dixon) and California Waterfowl Association are cost-sharing partners with DFG on this project.

Commissioner van Loben Sels highlighted some earlier comments from George Bayse, attorney for the California Central Valley Flood Control Association (CCVFCA), and Mike Hardesty, manager of Reclamation District 2068. Their concern is that this area is an important part of a flood control system protecting cities, agricultural operations, and businesses. He received letters from both CCVFCA and Sacramento Area Flood Control Association (SAFCA) that a two-dimensional hydraulic model be developed for this area, and that as part of DFG’s management planning process, it should analyze what the impacts of restoration will have on that model. SAFCA last week offered to contribute \$50,000 to the cost of such a study, and it is imperative that this be incorporated as DFG moves forward. Mr. Feliz agreed, and said the Reclamation Board applied for a CALFED grant for hydraulic modeling in this area; the initial recommendation is that this not be funded. The working group has written a letter asking CALFED to reconsider, as have Assemblymember Helen Thomson and Yolo County. The restoration of lands in the Yolo Bypass is dependent upon the results of this modeling. Commissioner van Loben Sels asked if Mr. Feliz was aware of the SAFCA offer to contribute \$50,000 for the study; Mr. Feliz answered that he was not. Mike Hardesty and Butch Hodgkins are both participants in the working group, and he will be following up with them on this issue. Commissioner van Loben Sels will provide Mr. Feliz with copies of these two letters.

Commissioner Coglianese asked how the management planning process for these properties would play out if the Ose legislation (to transfer Little Holland and Prospect to the State) passes – it has a provision for management plan development and for an elected official-composed advisory board. Mr. Feliz said he had not heard any State support of that concept to date. Commissioner Curtis said that this is a separate process; DFG will need a management plan for this land regardless of what happens with the Ose legislation, and if this legislation passes, DFG will then decide how to proceed. Commissioner Coglianese asked Ms Aramburu about a possible presentation from the Reclamation Board staff on the flooding issues in the Yolo Bypass; Ms Aramburu said Reclamation Board staff has not had time to put together a presentation for DPC. She asked for a summary memo; hopefully, that can be obtained in the near future. Ms Coglianese iterated that she is really concerned about this issue, because there is acknowledgement that better data collection and dissemination is needed, and she doesn’t know how current the hydraulic modeling is on this.

Commissioner Sanders asked Mr. Feliz if DFG has a projected schedule for completion of the management plan; Mr. Feliz is estimating a two-year process. Commissioner Sanders noted in Mr. Feliz's presentation that Jones and Stokes would be involved in the management plan, and asked if they would also do the necessary environmental documentation. Mr. Feliz said the process to develop the plan is separate from the environmental review and documentation for that plan. Commissioner Curtis clarified that the environmental document timeline would be after the anticipated two years needed to develop the management plan. Currently, DFG has the funds for the management plan, but funds have not yet been identified for subsequent environmental documentation.

10. Review 2002 Ecosystem Restoration Grants Recommended for Funding and Comments Prepared by CALFED Committee

Ms Aramburu said that comments were due May 10, and the task of reviewing CALFED's recommendations and submitting comments was delegated to the CALFED Committee. The Committee reviewed the projects, and based on the discussion at the meeting, a comment letter was prepared and submitted to CALFED. She noted that there were only five projects that were recommended for funding of the approximately 80 proposals for the Delta; many of the projects that were recommended are studies that would not affect land use, so the Committee opted not to comment on those.

She said there was only one proposed acquisition recommended for funding in the Primary Zone: the Pemco property in Solano County. This is part of a multi-featured project submitted by the Solano Land Trust that includes work on three different properties: the Wilcox Ranch, Calhoun Cut, and the Pemco property. The Wilcox Ranch, outside of the Legal Delta, was acquired by WCB at the same time as the Yolo Bypass acquisitions. Calhoun Cut, which lies east of the Jepson Prairie Preserve, is owned by DFG (and has been since the Commission came into place) and has been managed by the Solano Land Trust in a limited grazing program; they propose to study restoration of tidal action to portions of that property. As has been the Commission's direction in the CALFED process that State and federal agencies look closely at evaluating all publicly owned property; the Committee recommended that CALFED fund a broader, more in-depth analysis. The Solano Land Trust has studied a corridor along the Barker Slough area that runs east to west from the Jepson Prairie Preserve to Liberty Island; their report (not yet released for public review) recommends additional study of restoration in key areas – one of the identified areas is the Pemco Property. The property lies north of Barker Slough, and Solano Land Trust has proposed acquiring the property, restoring some areas to tidal action, constructing a new setback levee, and keeping the rest of the property in agriculture. The Committee recommended that if that procedure went forward, the land should be resold to a private landowner rather than retained by a nonprofit or a State or federal agency.

The Committee concurred with the other projects recommended by CALFED for funding.

Commissioner Cabaldon said the proposed Pacific Flyway Center, which has not been recommended for funding, is a project wholly contained within the Yolo Basin Wildlife Area, and his earlier question to Mr. Feliz about who was involved in the management plan relates to that project. The Yolo Bypass Wildlife Area is one of the largest managed wildlife areas that provides public access on the edge of a highly urbanized area. He encouraged that project applicants broaden the range of communities that are involved in the planning of these programs beyond simply the environmental community and the wealthier towns around the Bypass. It's appropriate that this project has been deferred for a funding recommendation; the Pacific Flyway Center is a good project, but it needs to have a broader foundation before it moves forward with CALFED funding.

Commissioner McGowan supported Commissioner Cabaldon's comments, and added that there's a presumption that this facility should be built at a particular location, and that's an inappropriate presumption.

Chairman McCarty asked if there were any questions of staff or additional comments from CALFED Committee members, or any additional public comments. There were none. There was no action required on this item.

11. Consideration and Possible Adoption of Comments on SB 1653 (Costa), Proposed Legislation to Create a CALFED Governance Entity

Ms Aramburu said that DPC delegated its CALFED Committee to look at this legislation; it did so at its last meeting, and based on the discussion, a draft letter was prepared for consideration by the full Commission. When DPC submitted comments two years ago on CALFED governance legislation, the focus of those comments was on the membership of the governance entity with emphasis on including adequate local government and Delta representation. With SB 1653, it appears there's an interest in having a smaller governance entity. The Committee looked at two key questions: should there be governance legislation approved at this time (they concurred it was appropriate at this time to make things move more smoothly and efficiently); and did they want to submit comments on the membership of the entity given the proposed reduction in size (they considered a breakdown of federal, State, and local representation, and suggested one Delta representative from that local government list).

Chairman McCarty asked if there were any questions of staff or additional comments from Committee members.

Commissioner Curtis said that as part of the discussion, it was agreed that it was better to give Senator Costa a general perspective, and the main point was that there appears to be a lack of local representation on the entity, and that there should be a balance between Federal, State, and local representation.

Commissioner McCarty asked if there were any other Commissioner or public questions or comments; there were none.

Commissioner Coglianese made a motion to adopt the proposed letter and comments for submission to Senator Costa; Commissioner van Loben Sels seconded. The motion was approved by voice vote.

12. Briefing on Dept. of Water Resources and Bureau of Reclamation Evaluation of State-Federal Acquisition of Delta Wetlands Project

Ms Aramburu said the release of this report was the start of a 30-day public review and comment period. Because she knew this project is of concern in the Delta and DPC looked at it recently and expressed interest, she wanted to make sure the Commission was aware of what is being proposed by State and federal agencies under this project.

The feasibility report summarizes a number of technical reports prepared by Bureau of Reclamation and DWR staff; they are following directions in the CALFED Record of Decision to evaluate acquisition of the Delta Wetlands Project to meet CALFED's In-Delta Storage goals. Staff sent out a brief memo and the minutes from a briefing on In-Delta Storage in September 2001 and a presentation on the Delta Wetlands Project in November 2001.

In the memo, Ms Aramburu outlined two options: DPC may want to direct staff to submit comments on the types of issues it thinks should be fully considered before a final decision is made, based on the notes from the previous meetings; or this responsibility could again be delegated to the CALFED Committee. The Committee would meet on June 5th. There is no recommendation from DWR and the Bureau at this time other than that additional study is needed. Ms Aramburu spoke with Sam Luoma, manager of CALFED's Science Program; Mr. Luoma indicated he has scheduled a team of aquatic scientists and water quality experts to review the Environment and Water Quality reports that have been prepared on this project; this would take about two months. The review would proceed in parallel to the engineering analysis that DWR and the Bureau are currently conducting. The project is taking longer to review and make a decision than was originally anticipated in the ROD; it may take much, if not all, of this calendar year to arrive at a final recommendation.

Commissioner Macaulay said that in anticipation of this item being on the agenda, he asked Steve Roberts, chief of DWR's surface storage investigations branch, to attend and answer any questions regarding this project. Also, Jim Easton representing Delta Wetlands Properties was in attendance and could answer any questions.

Vice Chair Bob Ferguson asked if there has been any recent modeling done to show total flow through the entire system from the northern river systems to Clifton Court Forebay. Mr. Roberts said DWR staff has not done modeling with all of the potential CALFED programs included with an in-Delta storage program, but they have used the CALSIM (operations model) to model the project as it is being proposed and operated, incorporating the Water Quality Control Plan resulting from water rights hearings as well as Biological Opinions. The summary report shows the potential yield from the project, but DWR staff is recommending additional analysis because some of the water quality

components of the Water Quality management plan are complicated and have been difficult to model. Mr. Roberts said the report includes an updated modeling run conducted in April 2002.

Commissioner Sanders said that the Corps of Engineers' Sacramento-San Joaquin River Comprehensive Study has reportedly done modeling on total flow from the Sacramento River and San Joaquin River watersheds, and asked if DWR staff has tapped into these results in an attempt to address Vice Chair Ferguson's question of flows. Mr. Roberts said that the CALSIM II model does this already. DWR has been running CALSIM II for several years; it was updated recently and adapted for daily operations to comply with the Water Quality management plans. He doesn't know whether the Comprehensive Study is using this model. DWR's model is focused on operations; the Comprehensive Study is focused on flood control.

Commissioner Beltran asked if DWR staff has done a study as to the annual water yield, and if so, what it would be. Mr. Roberts said DWR staff originally estimated the yield to be ~126,000 acre-feet, but based on the Water Quality Management Plan and the Biological Opinion there could be reductions taking that figure down to ~100,000 acre-feet. Commissioner Beltran said he sits on the Water Advisory Board for San Joaquin County and the issue that keeps coming up there is whether the water is sold yet, and if so, to whom. Mr. Roberts said no decision has been made on this yet, but DWR staff is hoping that with the review period, they may start to get an idea of possible beneficiaries. DWR staff is trying to model the project with different scenarios, and the yield analysis is difficult because not having identified beneficiaries affects their ability to model for operational flexibility. Commissioner Beltran asked if they've looked at infusing the water into an underground aquifer. Mr. Roberts said that could be done, although conjunctive use has not been analyzed yet; he suggested that be included in a comment letter for consideration.

Commissioner Macaulay said all the work that's been done by Delta Wetlands Properties has been using the State Water Project and Central Valley Project as the surrogate for water supply benefits, but no beneficiary has been identified yet. DWR is hoping that the conclusion of this report will open negotiations. Regarding negotiations to acquire the property and develop the project, there have been rumors that DWR is poised to write a \$1.6 or \$1.7 billion dollar check for the project; this is not true.

Commissioner Coglianese referred to page 8 of the report, referring to climate change, and asked if the project had been evaluated for flood control purposes; Mr. Roberts said it had not, but it has been evaluated to take off the peak flows during the winter periods. The modeling run for global warming simulated a 300-year event; that included augmentation of the project's infrastructure to support such an event. With those modifications, the model actually increased the yield on the project. Commissioner Coglianese noted that as more and more planning processes take climate change into consideration, all capital investments should be evaluated in terms of flood control.

Commissioner van Loben Sels referred to the DPC staff report; staff identified a list of 22 issues of concern based on numerous meetings and discussions, and depending on where one is situated in the Delta, any one of these items could be a top priority. Mr. Roberts said each of those issues would be looked at. Commissioner van Loben Sels said that if he were a property owner adjacent to any one of these four islands, he would want assurances up front that he wouldn't have to fund a legal battle to convince DWR that there's an impact, as Ryer Island landowners have had to do with respect to seepage impacts from the flooding of Prospect Island.

Chairman McCarty asked if this report incorporates comments up to the present day; Mr. Roberts said this report includes DWR's evaluation of the original Delta Wetlands Project, but it also evaluates a reengineered Delta Wetlands Project and a couple of other alternatives. An initial draft was circulated in December 2001, which was reviewed by CALFED agencies and public stakeholders; DWR staff has done its best to incorporate those comments and provide responses in this document. Chairman McCarty noticed that the document indicates that the impact on the Delta's agricultural economy would be significant, and at the last meeting, DPC had asked that there be some consideration of the land use to try to keep more of the project in viable agricultural activity. Mr. Roberts admitted that it's a very difficult issue, and DWR will need some help in looking at alternatives.

Ms Aramburu noted that page 13 describes an alternative that would include flooding of Victoria and Bacon Islands as reservoirs, retaining Bouldin, Webb, and Holland as agriculture and/or habitat; this is a variation on the original Delta Wetlands Project. Chairman McCarty noted that the agricultural values on Bacon and Victoria are substantially higher than they are on the other islands. Mr. Roberts said that in the report, DWR proposes to look at the Farmland Protection Policy Act, and the State's Land Evaluation Site Assessment (LESA) model, which use scoring systems to evaluate impacts to agricultural land. LESA gives farmland conversion an impact rating score, upon which appropriate mitigation is determined. DWR staff is hoping that through the public comment period, they will get some ideas on ways of mitigating for impacts.

Commissioner Cabaldon said the original project proposed \$584 million for recreation and 93 jobs would be created; in the reengineered project, it proposes to add twice as many recreation-related jobs, with an investment of only \$7 million. He asked what was included in the initial \$584 million figure generally. Ms Aramburu said the original project included a series of duck clubs built over the levee, with docks on both the interior and exterior to be used seasonally for hunting and fishing. These were all private recreation facilities. This component is not included in the most recent environmental document; it has been deleted. The State is looking at recreational aspects of public ownership; there would have to be a substantial public recreation component, consisting of less club facilities and more open recreation – fishing access, trails, and wildlife observation.

Chairman McCarty asked if there were any questions or comments from the public; there were none. He thanked Mr. Roberts for appearing to answer questions.

Ms Aramburu said no action is required on this item, but she would appreciate direction on whether this should be delegated to the CALFED Committee for consideration. The other option is to have staff submit comments on behalf of the Commission. Chairman McCarty agreed that the consensus appears to be to delegate responsibility on this item to the CALFED Committee for further comment. Ms Aramburu noted that the letter would have to be sent directly to DWR staff rather than bringing a draft letter before the entire Commission, because comments have to be submitted by June 14.

13. Consideration and Possible Adoption of Comments on HR 3554 (Ose), Proposed Legislation to Transfer Federally-Owned Property in the Yolo Bypass to the State of California

Ms Aramburu said this matter was referred to the CALFED Committee at the last meeting. The consensus of the Committee was that DPC should take a position on this federal legislation (DPC had never commented on federal legislation in the past), as this was of great interest to DPC. The Committee recognizes and supports the aspects of the legislation that support positions taken by DPC in the past regarding the management plan – that it be an open public process, and that it have a broad spectrum of participation including representation of the Commission itself. The Committee concurs that ownership of these properties by the State would allow for more direct communication for discussion of issues of concern. The ability to pay appropriate land and special district taxes is an issue for both State and federal ownership, so the Committee didn't think that was significant.

The Committee's comments were reflected in a comment letter to Congressman Ose.

Chairman McCarty asked if there were any comments or questions from the Commission or the public; there were none.

Commissioner Cabaldon made a motion to adopt the Committee's position as DPC's position, and forward the comment letter to Congressman Ose; Commissioner Calone seconded. The motion was approved by voice vote. Commissioners Brean, Curry, Curtis, Macaulay, Sanders, and Shaffer abstained.

14. Consideration and Possible Adoption of Work Plan and Budget for FY 02-03

Ms Aramburu noted that DPC submitted a Budget Change Proposal for a fourth staff person; this was not approved. DPC staff proposes to continue working on their previous tasks, and to work on additional tasks that reflect the programs DPC is most interested in seeing implemented. Staff continues to look for funding for a Delta Recreation Master Plan, and is also starting to work with Dept. of Food and Agriculture and the Dept. of Conservation on a subgroup of CALFED dedicated to working landscape and agriculture issues associated with the CALFED program.

Commissioner Cabaldon noted that the Commission appears to be getting a \$17,000 reduction, yet staff is adding another ten items to the annual work plan. Ms Aramburu said there's a pro rata, which is a management fee that the State charges for using special funding. Apparently, the pro rata is constantly removed and replaced, so it may look like we're getting less, but according to the State, we're getting the same amount. She added that culmination of the Delta Dredge Reuse Strategy will free up some staff time for some other tasks, and staff has been sharing duties with other CALFED agencies. It is hoped that with these partnerships, staff will be able to bring back to DPC the tasks it wants without spending more staff time.

Commissioner Brean asked if DPC had enough money for operating expenses and equipment this year, and if it will have enough money for the coming year. Ms Aramburu said DPC did and will have enough money, and will have about \$40,000 that would be passed back to the State from this past year's budget. One thing that's saving DPC money is that not all of its contract money was expended; for example, DPC has a contract with Dept. of Conservation for mapping tasks and data management, and the work on this contract was somewhat delayed due to staffing shortages at Dept. of Conservation, so the money remaining in this contract will be carried over into the next fiscal year. Teale Data Center, who manages the Commission's website, has a very low-cost contract (\$5,000) and over the past year, less than \$1,000 has been expended. There won't be any new contracts for these services. Chairman McCarty added that DPC doesn't have to recognize all the costs of operating; DWR provides the sound system, and the Jean Harvie Community Center is available at no cost, so there are a number of agencies that make it easy for DPC to operate within its budget.

Commissioner Brean volunteered to participate on the Budget and Finance Committee.

Commissioner Cabaldon asked if there is sufficient flexibility to use this extra \$40,000 for other purposes, such as offering to cost-share on the hydraulic study for the Yolo Bypass, before DPC sends it back. Ms Aramburu said the item would have to have been agendaized in order to vote to reallocate those funds, but in the past, staff has tried to bring some projects to DPC to consider when they anticipate a surplus. For example, DPC has funded some baseline environmental work for the Delta In-Channel Islands project. This year, staff was not sure how much of a surplus there would be, and didn't want to speculate until it knew DPC would meet its budget. The Budget and Finance Committee can help the staff in this regard; if staff anticipates a surplus amount, they could generate a list of potential funding partnerships or projects that DPC could be prepared to set into motion at the appropriate time.

Commissioner Curry said he remembers two occasions where the Boating and Waterways Commission met by conference call; this constitutes a legal quorum although they were not physically present in the same room. So it seems that if there is a demonstrated need on where some of this money could be used, a conference call could take care of that. Mr. Siegel said that the Bagley-Keene Act was recently amended to facilitate such a meeting; the main requirement is that there be a physical location with at

least one member present, so members of the public may participate. It needs to be adequately noticed, with a date, time, and location specified.

Ms Aramburu said she would confer with the chair of the Budget and Finance Committee on this issue. Staff would have to come up with a list of projects. Chairman McCarty said he doesn't have a problem with trying to accommodate that, and in the past, we have tried to put our resources to good use for DPC and the Delta.

Commissioner McGowan asked if the Budget and Finance Committee would have a chance to meet prior to this conference call to review and issue recommendations to Ms Aramburu; Chairman McCarty said this can be accommodated. Ms Aramburu said it would be extremely helpful if Commissioners would offer suggestions on potential projects; if it's not feasible (there's no entity to receive the funds), it's useless. It is relatively simple to issue an Interagency Agreement with another agency or university, but hiring a consultant is very difficult.

Chairman McCarty made a motion to approve the work plan and budget for FY 02-03; Commissioner Ferguson seconded. The motion was approved by voice vote.

15. Consideration and Possible Adoption of Support for a Delta License Plate

Ms Aramburu said that at an earlier Budget and Finance Committee meeting, it was suggested that staff reintroduce the idea of a Delta license plate for the Commission's consideration. DPC's original legislation gave DPC a loan and directed it to come up with a permanent funding scheme. DPC has never received General Funds; it has always been supported by special funds (the Harbors and Watercraft Fund and the Environmental License Plate Fund). One of the ideas at that time was for the sale of a Delta license plate; such a license plate could generate interest among agricultural, recreational, and Delta residents and visitors, and could fund the Commission and its various programs and activities. At that time, Senator Johnston wasn't interested in carrying that legislation.

Staff has taken another look at the license plate program information on the Web, and there have been a number of additional plates approved since that time, including some that are still being considered in the Legislature. The proceeds are funding State programs and State agencies, as well as nonprofit and other special programs. The Farm Bureau is trying to garner support for an agriculture license plate, funding specifically the Agriculture Leadership Program and Agriculture in the Classroom. Ms Aramburu spoke to their sponsor and asked if they'd be interested in partnering; there was interest but the sponsor indicated that there is no real legislative support at this time.

Chairman McCarty said that when DPC first considered the idea, there was a requirement of 5,000 license plates to initiate it (Ms Aramburu said that figure is now 7,500). After the first year's cost, about \$40 per plate flows back to the beneficiary organization. He thinks this could be difficult, particularly with a Delta-specific focus, and said it may be easier to piggyback on the agriculture or some other special environmental plates, where there are common goals and interests, and DPC could help sell plates for them.

Commissioner Cabaldon said he really likes the idea, and that there are two purposes: the first to raise money and the second to brand the Delta. If it was thought that only Delta residents would buy the plates, there probably would not be many sold, but if DPC is trying to get folks in the greater Delta region to own the Delta, it does make sense. He said he has seen a lot of attachment to the Delta as a resource, even from people who've never been here or seen it. Obviously, a big part of this is the design, and we'd have to attract a market for the Delta, but generally it's a good idea to help DPC support itself and also to build support for the Delta generally throughout the region.

Commissioner Curry asked if any market studies could be done to determine whether there is sufficient interest to sell 7,500 Delta license plates. Chairman McCarty said that in the case of Lake Tahoe license plates, someone came up with a design and started handing out fliers, and when they received the required number of reservations, they proceeded to the next step. He has noticed extensive changes in the Delta since ten years ago when DPC was formed. The spread of population into the East Bay and at the periphery of the Delta, are much more densely populated today, and are proud to be attached to the Delta, so DPC is looking at a different market than it was when the idea first came up.

Commissioner McGowan asked what it would cost us to try to launch this effort, because if there is substantial cost, that may be a concern, but if it's nothing more than staff time, this wouldn't be an issue. Chairman McCarty said that the most work would be to come up with the design. The Farm Bureau just undertook this effort, so staff could find out easily enough what exactly is involved. Ms Aramburu said she did very superficial research, but would be happy to consult others on what their efforts entailed; she will bring back more information to the Commission.

Commissioner Brean noted that there is some potential synergy with this idea and a number of different topics DPC has looked at. A year and a half ago, there was a presentation to DPC relative to the potential change in California Tourism Regions, to add the Delta as a separate region. This particular idea would certainly dovetail with that idea. Also, in exploring what's been done by other groups – it would probably not be acceptable to spend State funds pursuing a political campaign such as this (approving Delta license plate legislation), therefore, other agencies probably had some sort of nonprofit entity that carried the legislation for them. DPC could use the Delta Chambers or a different supporting group.

Commissioner Macaulay said DWR's graphics services department could probably come up with some design concepts very simply, and these could be brought before the Commission in the future. Also, because this is in support of a State agency, unless there's a legal problem, he doesn't see why all the State and local agencies participating on the Commission couldn't issue advertisements for these license plates on their respective websites; this costs virtually nothing. He would think that CALFED would also add this to their website.

Commissioner Curry said that if we have \$250,000 - \$280,000 a year in the clear absence of any funds for a Delta Recreation Master Plan, DPC could bankroll a bit of that money and fund some of these projects. At DBW, there is a significant program of safety and education for K-12, and some of his staff hit upon the idea that the fertile ground is not with the adults, but with children. There's a statewide competition where children from all over the state submit drawings for inclusion in DBW's annual calendar, which generates interest on the part of children as well as their parents. We should consider holding a competition for the design of the Delta license plate; this could yield good public relations coverage and some good public input.

Commissioner Beltran made a motion to proceed; Commissioner Coglianesi seconded. The motion was approved by voice vote.

16. Adjournment

The meeting was adjourned at 8:55 p.m.